

CITY OF TAKOMA PARK, MARYLAND
(Adopted 4/11/05)

PRESENTATIONS, INTERVIEWS & WORKSESSION
OF THE CITY COUNCIL

Monday, October 18, 2004

OFFICIALS PRESENT:

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| Mayor Porter | City Manager Matthews |
| Councilmember Austin-Lane | Deputy City Manager Hobbs |
| Councilmember Barry | Deputy Clerk Carpenter |
| Councilmember Elrich | Public Works Director Lott |
| Councilmember Mizeur | City Arborist Linkletter |
| Councilmember Seamens | Housing and Comm. Development Director Daines |
| Councilmember Williams | Community Development Specialist Thompson |

The City Council convened at 7:35 p.m. in the Council Chambers of the Municipal Building, 7500 Maple Avenue, Takoma Park, Maryland.

COUNCIL COMMENTS

Mr. Barry announced that the New Hampshire Gardens association will meet on Wednesday evening at 7:00 p.m. at the New Hampshire Avenue Recreation Center.

Ms. Porter noted a Community Meeting to discuss building materials for the new fire station, Thursday, October 21, 7:30 p.m. in the Council Chambers.

PUBLIC COMMENTS

Bruce Baker, 301 Hilltop Road spoke as treasurer of the Takoma Foundation. The Fall grant cycle, applications are due November 1st. He described the mission of the Foundation and wants to ensure that everyone can participate in community life. He explained the eligibility (e.g., nonprofit organizations, PTA's, civic associations, etc). There is information at www.takomafoundation.org. If you know of any groups who can use a \$500 grant, please let them know to apply.

PRESENTATION

1. Update on the Community Center Construction Project

Ms. Matthews remarked that the latest schedule shows that Knott's work upstairs will be done on March 14. We continue to discuss this with Knott, but it makes it a little close with the start of

Molina construction. If we can work it out, then we will bring a contract on the 25th for the Council's consideration.

Mr. Williams commented that it looks more and more like a building being completed. He continues to see a fair amount of activity. Contractors are working at 6:35 a.m., and late into the afternoon (including Saturdays). We need to keep in mind, the skylight will get more expensive as time goes on.

Ms. Porter said that we can incorporate it into the Molina discussion.

Ms. Austin-Lane noted that in conversation with people, one suggested that there might have been a tight turn around time on the bid we put out, otherwise maybe more would have responded. She talked about the timing of the RFP. Sometimes in December and January there is an impetus for companies to line up their work for the Spring. It is possible we might get more bidders and different prices.

Mr. Seamens referred to the Molina bid. The City Charter says the City has to follow regulations. We did not have three bids. Do we have an ordinance that sets that out, different from what is required by the Charter?

Ms. Matthews will research the matter and bring back information for the next meeting.

INTERVIEWS

2. Commission on Landlord-Tenant Affairs (COLTA)

The Council interviewed Dorothy Clennan and Juan Canales.

3. Tree Commission

The Council interviewed Patrick Campbell.

4. Public Safety Citizens Advisory Committee

Postponed. Applicant was not present.

WORKSESSION

5. Community Development Block Grant (CDBG)

Ivy Thompson remarked that every year at this time Council hears recommendations from the Community Advisory Committee. Nicole Paul and Bruce Baker (Chair) are here this evening. We have met twice over the past month, interviewed candidates and reviewed proposals.

Mr. Baker noted that we received five proposals and are recommending that Council fund three. We have eight members on the committee. Six participated in the process. There is a total of \$100,000 requested on the five proposals. We were limited to \$25,000 for the service programs. We could not make full funding for the three programs—as evaluated by community effectiveness, impact, management, and what they bring to the community. The committee recommends “Hearts and Homes for Youth,” a group home in Takoma Park, for disadvantaged teen adolescents. We recommend \$7,050 to fund the educational component of their program. They have no tutoring program now, and this funding will fund tutors. The CSAFE program is recommended for \$9,000 (they asked for \$25,000)—to address crime and fear of crime by hiring a community organizer. We encourage full funding if possible. The “Tenant Association Capacity Building Program” has had tremendous success providing affordable housing to tenants in the City. We only have \$9,000 to offer them.

Mr. Elrich asked for clarification about funds devoted to the street enhancement project.

Ms. Porter stated that the available CDBG funds used for the street program will be devoted to the community center. We made a commitment for some years into the future, the CDBG funding would be allocated in this way.

Mr. Williams remarked that it possibly ends this year or next year.

Mr. Baker stated that the scope of our recommendations are limited this year to \$25,000.

Ms. Porter noted the restriction on “service money “ (can only be 15% of the total).

Ms. Mizeur asked that given that the recommendation does not afford full funding, has this been communicated with the applicants to prompt them to scale back their programs.

Mr. Baker responded in the affirmative “Hearts and Homes”, for example, noted that their highest priority was the tutoring program.

Mr. Seamens thanked committee for the work. He finds it hard to decide without information about all the proposals.

Ms. Thompson mentioned that Historic Takoma submitted a landscaping and booklet (flyer) about the boundary stone.

Mr. Kohn remarked about proposals that did not meet the low/moderate income criteria.

Ms. Thompson explained that McLaughlin Adult Day Care had described the need to replace a floor. The committee thought it was a capital improvement.

Ms. Baker said that the program serves people from all around the area, not only Takoma Park.

Ms. Austin-Lane asked about the “bricks and mortar” monies.

Ms. Thompson expressed willingness to work with Historic Takoma.

Ms. Thompson noted that she had asked that they provide more information on their program. We do have the option of funding a bricks and mortar program.

Mr. Baker added that the programs failed to meet CDBG eligibility requirements. Low and moderate income limits, generally benefit Takoma Park residents.

Mr. Kohn remarked that the Historic Takoma proposal did not meet “low income” criteria. The McLaughlin institution did not meet residency.

Mr. Williams commented that there are a certain number of beneficiaries.

Ms. Thompson offered to help find other funding sources.

Ms. Porter stated that the Takoma Foundation grants are a possibility for Historic Takoma. This will come before the Council next week as a legislative item. She thanked the committee for their work.

6. Capital Improvement Petition Process

Ms. Daines referred to a copy of the proposal from K&S in response to our RFP. A year ago we established new procedures to review work done under the process. Our current contract with this firm has expired. We put out an RFP, but received no other proposals. We have been very pleased with their work. We have \$13,000 earmarked. They have increased their cost somewhat. They have modified their pricing structure, now a flat fee, based on three hours per petition, plus an hourly rate for work beyond that, including COLTA hearings. They’ve increased their cost from \$75 to \$85. It is labor intensive work. Their costs are reasonable. Funds are in the budget. This would allow us to do 50 petitions in the course of the year. If Council proceeds, it would need to allow the City Manager to renew a contract for three additional one year terms.

Ms. Porter clarified that the cost would be \$85/hour with a minimum of three hours.

Ms. Daines commented on the \$255 (flat fee). If we have to call them in to testify, then it is done on an hourly basis. It kind of evens out.

Ms. Mizeur remarked that the previous cost related to a flat fee for the work.

Mr. Seamens asked if we can make it more efficient to limit the amount of time it takes for each case.

Ms. Daines responded that staff member Jean Kerr has it down to a science. It is a very efficient process.

Mr. Seamens questioned requirements for a minimum number of bids.

Ms. Daines explained that because we advertised, we don't need three bids. If we called them up, then we would have to have three bids for evaluation.

Ms. Porter said that this is not surprising. Their rate might discourage others from bidding.

Mr. Elrich stated that he likes the way this process is working.

Ms. Daines said that staff has really streamlined the process.

Mr. Elrich added that it should address landlords' concerns about timeliness.

Ms. Daines noted that we will be soliciting proposals for the rents analyst.

This action requires a two-reading ordinance (next week and two weeks afterward) to approve the contract.

7. Community Center Finances.

Ms. Matthews noted that this subject was scheduled to be discussed last Monday, but it was deferred because of late hour of the meeting. She has since updated the memo, increasing the range where the revenue shortfall will come in. The memo went out on October 8th. Within a day, she signed off on \$125,000 additional costs. We have also had to look at timing issues, with Melina and relocating staff. This is an estimated \$1.3-1.7 million shortfall. We have a number of pending change orders and \$335,000 in a delay materials claim from Knott Construction. There are some others. \$805,000 is the total of all the pending claims.

Mr. Williams asked about the timing on the delay claim.

Ms. Matthews responded that \$335,000 is a number that has been around since July--material escalation and time delays that Knott notified the City of in July. We have been working on a schedule we can all agree on. Knott is now asserting some additional days have been out of their control. \$390,000 is closer to the number that Knott will be looking at. One option is to look at the city's fund balance and whether there is an opportunity to pull from the city's reserve. The FY04 audit has not been commenced. In working with Ms. Waters and Ms. McKenzie, as of June 30, 2004, our estimate is that the balance is \$2.65 million. Most of that amount is restricted. (i.e., \$885,000 - Equipment Replacement Reserve; \$312,000 - Emergency Reserve; \$28,000 - New Hampshire Recreation Center (which must be used for the center)). We had used funds from the reserve to balance the budget. There was a reconciliation error in the budget; the reserve was understated by \$100,000. The un-designated reserve is \$661,000. Our reserve is

solid, but modest. There is not enough to make up the short fall. She does not recommend that the Council use the reserve to fund the shortfall.

Mr. Williams asked about a sense of the reserve we should maintain.

Ms. Matthews commented on the source of revenues and the importance of stability. She would say 10-20% of operating expenses is a good range. She would suggest tying operating reserve to expenditures—possibly, amend the Charter. Our revenue is very stable, because it is dependant on property tax. We are closer to 10% than 20%.

Ms. Porter noted that we have an unappropriated reserve. She acknowledged that we don't know what future expenses might come up. Is that what you are talking about?

Ms. Matthews explained that we budget on the expenditure side of the equation. It is a matter of whether you leave the funds in the reserve and expend, or identify planned expenditures. Most cities include a contingency, not the 10-20 percent. It depends on how you consider the un-designated reserve.

Mr. Williams asked if we are at 5% now.

Ms. Matthews responded that we are probably around 7%.

Mr. Williams recalled the past thinking that funding the ERR is something we chose to do when we have a large fund balance. He thought of it as a cushion, and not technically part of the fund balance.

Ms. Matthews remarked that whether capital or equipment reserve, we are setting aside money for replacements when needed. Some cities have 5 or 10 year capital plans. They look at useful life of equipment, and just spend a designated amount each year. Mr. Lott said a primary piece of equipment is at its useful end, and he would like to order a truck. She would suggest that the Council use the ERR as money set aside to replace the equipment. It offers a short term fix for a long term problem.

Mr. Williams asked if it would it be fair to look at the undesignated reserve as an average of the reserve amount over the year. Would it be better to get an average sense, than at one point in time?

Ms. Matthews explained that the number changes over the course of the fiscal year. It can help provide cash flow ease. Most reserve policies would call for a 10% operating reserve as of the end of the fiscal year. You would make sure that the balance is at that point at the end of the year.

Mr. Williams said that this discussion has caused him to change his thinking.

Ms. Matthews remarked that she is fiscally conservative as a manager. In another city, she wrote a policy to maintain the reserve (putting the responsibility on the manager).

Ms. Porter noted that we use to carry larger emergency reserves. The Council reduced the amount so that in a true emergency we could use those funds. You are looking at it a different way. We can talk about it more in the course of the next budget.

Mr. Elrich added that the Council felt we were taxing people to keep money in the bank. We have increased the number of things that go into the ERR. He always looked at these accounts as our reserve.

Ms. Matthews remarked that it is a balancing act. She only knows of one city who accumulated reserves for a capital building project. We need to be careful in terms of drawing down the ERR.

Mr. Elrich questioned our cash flow status. Are we ever in danger of running down to zero?

Ms. Matthews commented that with large checks going out (e.g., many related to the community center), it has been a challenge for Ms. Waters to manage cash flow. It may well be a topic for discussion.

Mr. Elrich said that he would information about the cash balance over the past year.

Ms. Matthews clarified that he is asking for information about reserves, revenues and expenditures. She tried to look at whether there is an opportunity to enhance revenues. She has put some ideas out for consideration and would like the Council's input before time is spent pursuing these. She commented on parking violations. We charge a \$10 fine for expired meters. Other cities charge more. The city's fee structure is low across the board. The Police Chief noticed that we don't have all the violations that some cities or the county do. She would recommend that we look at this more closely. Also, it is a parking management issue. Ten dollars can be inexpensive parking for Metro. What is your interest? She can bring back a more thorough proposal.

Mr. Seamens said he would like a proposal, to include considerations in the Old Town Business Association (OTBA) area.

Ms. Austin-Lane noted that OTBA included this in their presentation recently. We should provide a deterrent. On residential streets, in areas where there is permit parking, we also have to see that we are enforcing the parking regulations.

Mr. Elrich commented that he could generally support most of this, but not an increase in parking fees for the neighborhoods—where residents would be penalized because of where they live. He would like to leave that alone.

Ms. Austin-Lane remarked that residents have complained about neighbors who do not bother to

get permits. What incentive do they have?

Mr. Seamens referred to the rental housing and application fee. His concern is that it rolls downhill to the tenants. Many of our tenants are low income. He would entertain the idea, but would be hesitant to agree. He suggested that we might charge a fee for notary services.

Ms. Matthews commented on the idea to increase the rental housing license fee, noting the county's fee structure. A question is how this would impact tenant rents. The application fee for petitions might be increased to \$100. A tree removal permit fee is only \$25--not adjusted since 1995. This is a nominal amount of money. Residential parking permit fees were last adjusted in June 1998; it has been \$20 for two years. We do not charge for notary services; we might explore only providing this as a free service to residents. The Police Department could increase the fee for fingerprinting. These are nominal revenue generators.

Ms. Porter suggested that we add more consistent enforcement of parking permits, general parking enforcement, and other enforcement areas.

Mr. Barry asked if the sum total revenues of all these things add up to enough to afford a skylight for the building.

Ms. Matthews responded that an increase in parking violation fines would be the larger revenue generator. The other would be an increase in the rental housing license fee. Mr. Seamens has expressed concern because of the rent.

Ms. Porter remarked that it is set low because it was to cover the cost of doing inspections. She would increase it if it does not currently cover costs, but would not want it to result in an increase in rents.

Mr. Seamens said that low income tenants are already feeling pressed.

Mr. Elrich added that it would require filing a hardship petition in some cases.

Ms. Porter stated that she would like to keep it at the actual cost of the rental inspections.

Ms. Matthews agreed to get the information about the actual cost of rental inspections.

Ms. Austin-Lane remarked that it is more important to tackle the parking issue.

Ms. Mizeur said that she would support all of the suggestions put forth.

Ms. Porter commented that many items are small. She would agree to the last two.

Ms. Mizeur stated that the PILOT question is the most interesting. Is there a way to increase this.

Ms. Matthews responded that staff will put together information on fee increases for Council's review.

Ms. Matthews noted that WSSC funds are not included in the budget. It appears that we will get \$58,000 from WSSC. The PILOT from Washington Adventist Hospital is actually an administrative fee tied to bonds. The FY05 budget does not reflect this, because staff understood the bonds were paid off. Adventist Health Services called to inquire, and I sent them a copy of the agreement. What is the city's approach in dealing with nonprofits within our borders? She had Ms. Ludlow do some research, but we haven't found other hospital PILOTs, yet.

Mr. Seamens noted that Ms. Waters just became Treasurer, that Ms. Matthews is now the new manager. Our earlier reports were dismal. They raised concerns. He hopes that his colleagues will agree to have an audit of the books of the city, given what we've seen in the past months. He asked the Mayor to schedule an agenda item to discuss an audit of our books.

Ms. Porter responded that the former City Treasurer served the city for many years. She does not know why anyone would question her veracity. It is not unusual that things get dropped in the transition from one Treasurer to another. We never had any reason to question any work that she did.

Mr. Seamens stated that he has difficulty having confidence in city records from what he has seen. It is appropriate to protect all four, to have an audit at this point.

Mr. Williams questioned the distinction between the annual audit and the one he is requesting.

Ms. Matthews stated that the annual audit is done by an independent firm, looking at the general ledger statements to say the statements are a good representation. Auditors spot check travel and look at payroll. She knows of one city who commissioned a forensic audit, because of concerns about a former finance officer and manager, based on a concern that entries were not done in accordance with the Charter. As a result, they filed legal action. The third type of audit, a performance audit, will look at specific operational areas. Generally, an audit refers to the annual audit. Your annual audit is what most people would rely upon to ensure that we follow GAAP.

Ms. Austin-Lane asked how our auditor is reviewed.

Ms. Porter replied that the service is rebid every few years.

Mr. Hobbs added that it is every three years. We have had the same firm for a number of years. They recently merged with another firm.

Ms. Porter asked for information on the last time the audit contract was bid out, and who has been doing it. She recalled one change.

Mr. Williams observed a more extensive audit presentation because of GASB 34 requirements in recent years.

Mr. Hobbs noted that some requirements are still being implemented.

Ms. Matthews commented that the Washington Adventist Nursing Home PILOT expired recently. We will be negotiating to begin a new PILOT.

Ms. Mizeur asked about the status of the sale of the Piney Branch properties.

Ms. Matthews replied that staff is working on that. She did not include that in the presentation because Council had made a decision previously. We still don't know if the \$400,000 estimated revenue is accurate.

Mr. Barry noted the cable that runs through the city. As the value of the property goes up, prices for use of the right-of-way should also go up.

Mr. Hobbs responded that we can consider raising the fee, when the contracts come up for negotiation. We have to be cautious.

Ms. Matthews stated that there is another residential lot near the Co-op that we could consider selling.

Ms. Porter remarked that there is drainage work that would have to be done. We know that even though we get easements, people are really not going to want to let us do what we need to do.

Mr. Hobbs said we need to have the engineer take another look at it.

Ms. Porter commented that it is hard to speculate on the kind of drainage we would need.

Mr. Elrich noted that we are talking about the City's property behind the Co-op lot.

Ms. Matthews said that she has recently spoken to Bob Atwood. He may be willing to talk about how we can work around it.

Mr. Hobbs commented that our appraisal was higher than their appraisal. This requires a third appraisal.

Ms. Matthews remarked about expenditure reductions. We've charged the new committee with phrasing questions for the survey about service levels. To generate a large amount of money, it would require service reductions. We would need to have a comprehensive discussion of service levels. The Procurement Officer position has been vacant for several weeks; it could result in a \$37,000 savings if we do not fill it.

Mr. Elrich remarked that it would be helpful to know the implications of these items.

Ms. Matthews said that in terms of the procurement officer, centralized purchasing would be lost. We could create more of a generalized management assistant position with this vacancy.

Mr. Hobbs remarked that it wouldn't be devastating if we have to eliminate the position.

Mr. Seamens noted that it is relatively new.

Mr. Hobbs responded that it has been two years this month. Former employee Mr. Vidal applied when the position was created.

Ms. Porter asked what would we lose in terms of efficiencies if we don't fill the position.

Ms. Matthews noted the Administration part-time position (passport agent). Other staff members can perform passport processing. These are two administrative positions. If we are going to ask departments to sacrifice, she feels we need to begin with administration.

Ms. Porter asked whether passport fees pay for the position.

Mr. Hobbs remarked that if we merge the procurement and Human Resources position, the administrative clerk that we added in is also included in this proposal.

Ms. Matthews commented on the Landlord Tenant office and Mr. Wilds' position. This might be a part time position. Mr. Wilds' might like to be part time. We would have to communicate with both landlords and tenants about when the services are available (e.g., no longer available Monday through Friday). There is \$100,000 in FY05 for specialized litigation service related to the Washington Adventist Hospital. This is a large sum of funds for a specific purpose.

Mr. Hobbs remarked that we have \$50,000 available across all accounts because the insurance rates are lower than we budgeted.

Ms. Matthews said she might suggest taking \$50,000 from the "city priorities" appropriation. There would need to be additional discussion. Related to the operation of the community center and the learning lab, we had assumed 26 weeks of operation. We may incur some expenditures, but some of this will not be spent.

Ms. Porter stated that some of these areas do not require a Council decision. She would be interested in hearing a proposal about the two administrative positions--how we would lose money if we don't do central procurement. She would prefer to let the committee take a look at it.

Mr. Seamens remarked that the last item is a no-brainer. Ms. Porter's idea is good. He would like to hear about the potential loss.

Mr. Hobbs noted that these are alternatives.

Ms. Mizeur expressed appreciation for the mix of items--some palatable solutions.

Mr. Elrich referred to the rebate issue.

Ms. Matthews said that the committee will take a look at these items.

Ms. Porter commented that with respect to the police rebate, the county has again sent a letter saying they will reduce our police rebate in coming years.

Ms. Matthews pointed out that the county chapter of MML has appointed a committee to explore these issues. She will be serving on the committee (November 4th is the first meeting).

Ms. Mizeur asked about the timeline for discussions. How soon do we need to consider these things?

Ms. Matthews said that estimates when she first began were in the range of \$643,000, even with a possible revenue from WSSC and WAH of \$84,000. We'd still be considerably short. Barring a change in city service levels, bonding will have to be considered.

Ms. Elrich commented on county services. If there was a contract for sale of the lot Takoma Junction Lot, then a two year, bridge-loan may be helpful.

Mr. Seamens asked if we need to decide on bonding next week.

Ms. Matthews responded in the affirmative. You would be committing to find the funds to cover the funding shortfall.

Mr. Seamens commented that it is a difficult time.

Ms. Matthews replied that we don't have a choice about completing this level. We've made commitments to the county and state in accepting funds. After discussions with Knott and Molina, we may have to rebid anyway.

Mr. Seamens said that we need to hear an affirmation of the estimates we've gotten for programming and maintenance of the center, and estimates on the furnishing and equipping of the center. We should be clear to the community what is not included in the project. What about the need for additional parking? Has this cost been figured into the estimate anywhere?

Ms. Matthews indicated that it is not included. With respect to bonding, staff met with State HCD Infrastructure Bonding Representative Charles Day. We asked him to run some scenarios, with caution about our commitment depending on the rate. She cited some initial figures.

Mr. Elrich asked about the cost on the tax rate.

Ms. Matthews responded.

Mr. Elrich encouraged that for this amount of money we do as much possible.

Mr. Seamens proposed that the Council move forward—do the project right. He said he is going to have to know where the funds come from before he commits to the contract.

Mr. Hobbs noted that there is no requirement for three bids. There is only a reasonable expectation of more than one bid.

Mr. Elrich asked if we are prohibited from taking the plans out to others to see what they have charged for the same type of work.

Ms. Matthews responded to the “reasonableness test” which is not uncommon for firms to touch base with the bidding entity.

Mr. Hobbs remarked that if you have a set of bids that came in under the law, you have to rebid the project, if all are rejected under a new approach.

Ms. Matthews gave an example of a turn-key project. In a meeting with Paul White of Knott Construction, he suggested \$2M for the gym construction.

Ms. Porter remarked about the schedule for a public hearing and the bonding process. We are tied into the schedule for the bond. Does the Council want the Molina bid to be presented next week, without the funding?

Mr. Elrich stated that we have to finish this part of the project. Bond, revenue enhancements, expenditure cuts, etc., we will find some way to pay for it.

Ms. Austin-Lane commented that the Council has done a good job in sticking to the principal of not committing the city to funds we do not have. She agreed with Mr. Elrich in being committed to finish the project. She is leaning in the direction of rebidding the work. Get more bids, at a time more consistent with when the contractors are doing the work. It would give time for the public process.

Ms. Mizeur shared concerns about where to find the money. Last week’s discussion indicated that other bids were significantly higher. Melina said if we rebid, he will charge more. We need to decide whether we save more money by rebidding. We have ways to pay for the contract in the memo in front of us. Given the circumstances, we need to hold onto this bid.

Ms. Austin-Lane noted that one of the bids was significantly higher.

Ms. Mizeur pointed out that Knott did not bid. The two that came in were closed bids. Are you concerned about the collusion?

Ms. Austin-Lane replied that there was a perception by one company she spoke to that there was not enough time to complete the work. The delay increases cost.

Ms. Mizeur asked if they think that the project would not cost more if rebid.

Ms. Austin-Lane replied in the affirmative (if we bid in December/January).

Ms. Porter questioned if there is sufficient interest to bring it back for further discussion.

Mr. Williams commented that he wasn't ready to go to rebid. He agreed with Ms. Mizeur and Mr. Elrich. We are committed to finding the money to finish this part of the project. He would be interested in continuing to discuss whether we can go forward with the Molina bid, but may decide we should not.

Mr. Seamens stated that if Ms. Matthews can assure the Council that the lower bid will be the least costly when the project is done (i.e. change orders, materials), he would then agree.

Mr. Barry recalled discussions about temporary space for staff. We discussed Molina's proposal to start later, costing more, but really less because we would not incur relocation costs. The other point is regarding bonding. We don't want to confuse the public; we need to have our ducks in line as to what we are bonding for. We may need \$800,000 to pay Molina. He suggested that we not bond for that portion of the work.

Ms. Porter said that the majority of the Council is willing to entertain the Molina bid. We are not committed to support it.

Mr. Elrich remarked that when we wouldn't commit the money before, it was state or county money.

BREAK - The Council recessed for a scheduled break at 10:10 p.m. and later reconvened.

8. Maple Avenue Tree Replacement.

Mr. Lott introduced the discussion item.

Arborist Linkletter commented on the Pepco response to the City's latest proposal (negative). They have had this program for a while. They have their subcontractor (Asplundh) take down the trees. They don't want to set a precedent.

Ms. Austin-Lane confirmed that staff is proposing to absorb the stump grinding under the current operating budget.

Mr. Linkletter said he could take \$4,000 from the budget, but we're taking a chance as to how many trees will need to be removed.

Ms. Austin-Lane clarified if he is now saying it does not make sense to do stump grinding from that budget.

Mr. Linkletter replied that part of his budget is unpredictable. We could end up with a shortage of funds.

Mr. Lott added that it will take away from other projects.

Mr. Linkletter commented that he made an effort to note similar situations. There were some other situations, but not in long rows.

Mr. Seamens asked if stump removal is optional.

Mr. Linkletter responded that he looked at situations as aesthetic or safety issues.

Mr. Seamens asked about soil retention.

Mr. Linkletter commented on the tree replacement fund. It is high because it hasn't been used that much.

Ms. Porter questioned the amount noted as being for additional trees or replacement trees.

Mr. Linkletter explained that we replace trees that come down, to maintain the canopy. Last year we put up so many trees in the right of way, he didn't use much of the tree replacement fund.

Ms. Porter confirmed that the fund is for additional trees.

Ms. Austin-Lane said she is interested in seeing this project move forward. At the Old Takoma Residents Association meeting, 22 people at the meeting felt positively about this plan. Others expressed a variety of concerns. We don't want a systematic deforestation. These residents have been hearing about this project since the last fiscal year. She would like to sort out a way to do this now.

Mr. Linkletter remarked that the earliest we could plant any trees would be March or April of next year, because of the stormwater project that is now beginning.

Ms. Austin-Lane asked about the Pepco time limit on their offer. Given that, we talked about a mid-year review of garden issues.

Mr. Seamens questioned, with respect to the Ritchie Avenue trees, whether there is value to the

trees, for sale as lumber.

Mr. Linkletter explained that mills don't want right-of-way trees because of the possibility of nails.

Ms. Porter commented that prior to the time we had an Arborist, we made some errors in tree planting. Some unsuitable trees have been planted. It is our responsibility to fix the problem. She suggested that the Council come back for a six month review.

9. City Manager's Quarterly Update

Ms. Matthews asked for feedback from Council on her written report. Some items are a recap of the weekly S&I report. In the three months she has been here, she been working on community outreach. She would appreciate if the Council would let her know about meetings she should attend. She would like to attend, at least annually. Ms. Matthews provided a street renovations update. She commented on the stormwater project just completed in the past few weeks. We identified a problem where water was flowing over the sidewalk. We have worked to improve pedestrian safety. A number of stormwater needs have been identified. The Police Department has indicated that auto thefts are down. We have a program to purchase locking devices. In terms of traffic enforcement, citations are up. The speed advisory trailer is appearing around the City. There are some grant applications related to annual programs. ECD staff has submitted 9 applications; the list is provided in the agenda materials. That will continue to be an emphasis.

Ms. Porter asked for clarification on police recruitment.

Ms. Matthews recognized the importance of police presence. We have hired 5 certified officers; 2 required compliance academy training. There are still 4 vacancies. We may have another vacancy, as well. We continue to recruit. We have some candidates who require academy training--not the best option. This will continue to be a major emphasis.

Mr. Barry asked about accreditation for the department.

Ms. Matthews said that it should be sometime next year. She will confirm with the Chief.

Mr. Elrich remarked that we need to explore cost and benefits of being accredited.

Ms. Matthews responded that there is an approximate \$8,000 application fee, excluding staff time.

Mr. Seamens noted the advantages. We need adequate standards.

Ms. Porter said that the Council will schedule a briefing on accreditation.

Ms. Matthews remarked on savings with insurance costs.

ADJOURNMENT

The Council adjourned for the evening at 10:56 p.m.